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<b>UTILITY PATENT APPLICATION TRANSMITTAL</b>  <i>(Only for new nonprovisional applications under 37 C.F.R. § 1.53(b))</i>	Attorney Docket No.	20438-1
	First Inventor or Application Identifier	F. William Gregory, Jr.
	Title	System and Method for Delivering Commercial Lines Insurance Policies
	Express Mail Label No.	EL 486 742 198 US

<b>APPLICATION ELEMENTS</b> <i>See MPEP chapter 600 concerning utility patent application contents.</i>	<b>ADDRESS TO:</b> Assistant Commissioner for Patents Box Patent Application Washington, DC 20231
1. <input checked="" type="checkbox"/> Fee Transmittal Form (e.g., PTO/SB/17) <i>(Submit an original and a duplicate for fee processing)</i> 2. <input checked="" type="checkbox"/> Specification [Total Pages 24] - Descriptive title of the invention - Cross References to Related Applications - Statement Regarding Fed sponsored R & D - Reference to Microfiche Appendix - Background of the invention - Brief Summary of the invention - Brief Description of the Drawings (if filed) - Detailed Description - Claim(s) - Abstract of the Disclosure 3. <input checked="" type="checkbox"/> Drawing(s) (35 U.S.C. 113) [Total Sheets 7] 4. Oath or Declaration [Total Pages 2] a. <input checked="" type="checkbox"/> Newly executed (original or copy) b. <input type="checkbox"/> Copy from a prior application (37 C.F.R. § 1.63(d)) i. <input type="checkbox"/> DELETION OF INVENTOR(S) Signed statement attached deleting inventor(s) named in the prior application, see 37 C.F.R. §§ 1.63(d)(2) and 1.33(b). * NOTE FOR ITEMS 1 & 13: IN ORDER TO BE ENTITLED TO PAY SMALL ENTITY FEES, A SMALL ENTITY STATEMENT IS REQUIRED (37 C.F.R. § 1.27), EXCEPT IF ONE FILED IN A PRIOR APPLICATION IS RELIED UPON (37 C.F.R. § 1.28).	5. <input type="checkbox"/> Microfiche Computer Program (Appendix) 6. Nucleotide and/or Amino Acid Sequence Submission (if applicable, all necessary) a. <input type="checkbox"/> Computer Readable Copy b. <input type="checkbox"/> Paper Copy (identical to computer copy) c. <input type="checkbox"/> Statement verifying identity of above copies <b>ACCOMPANYING APPLICATION PARTS</b> 7. <input checked="" type="checkbox"/> Assignment Papers (cover sheet & document(s)) 8. <input type="checkbox"/> 37 C.F.R. § 3.73(b) Statement of Attorney (when there is an assignee) 9. <input type="checkbox"/> English Translation Document (if applicable) 10. <input checked="" type="checkbox"/> Information Disclosure Statement (IDS)/PTO-1449 [Copies of IDS Citations] 11. <input type="checkbox"/> Preliminary Amendment 12. <input checked="" type="checkbox"/> Return Receipt Postcard (MPEP 503) (Should be specifically itemized) 13. <input checked="" type="checkbox"/> Small Entity Statement(s) filed in prior application, Status still proper and desired (PTO/SB/09-12) 14. <input type="checkbox"/> Certified Copy of Priority Document(s) (if foreign priority is claimed) 15. <input type="checkbox"/> Other:

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 Prior application information: Examiner \_\_\_\_\_ Group / Art Unit: \_\_\_\_\_  
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Signature	<i>Clifford A. Poff</i>	Date	JULY 10, 2000

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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In application of

F. WILLIAM GREGORY, JR.

Filed Concurrently Herewith

Titled: SYSTEM AND METHOD FOR DELIVERING COMMERCIAL LINES INSURANCE  
POLICIES

--oOo--

Pittsburgh, Pennsylvania 15219

July 10, 2000

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The documents enclosed herewith are:

1. Specification (pages 1-16);
2. Claims (numbered 1-23 on pages 17-23);
3. Abstract of the Disclosure (on page 24);
4. Drawings (7 sheets);

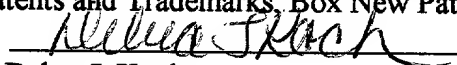
5. Executed Declaration and Power of Attorney for a Patent application (2 pages);
6. Filing Fee of \$471.00 (check #10347);
7. Verified Statement (Declaration Claiming Small Entity Status by Inventor;
8. Verified Statement (Declaration) Claiming Small Entity Status by Non-Inventor;
9. Assignment Cover Sheet, Assignment together with fee for recording the document; and
10. PTO-1449, Information Disclosure Statement together with a copy of the references.

Respectfully submitted,



Clifford A. Poff  
Agent for Applicant  
Registration No. 24,764

CAPoff/djk  
Enclosures  
(412) 765-1580  
Dated:

I hereby certify that this FILING OF PAPERS AND FEES BY "EXPRESS MAIL" WITH CERTIFICATE request and the documents referred to as attached therein are being deposited with the United States Postal Service on this date July 10, 2000 in an envelope as "Express Mail Post Office to Addressee" service under 37 C.F.R. §1.10, Mailing Label Number EL 486 742 198 US addressed to the Commissioner of Patents and Trademarks, Box New Patent Application, Washington, DC 20231 

Debra J. Koch

Date: July 10, 2000

Applicant or Patentee: F. William Gregory, Jr.  
Serial or Patent No.: \_\_\_\_\_ Docket No. 20438-1  
Filed or Issued: concurrently herewith Entitled: SYSTEM AND METHOD FOR  
DELIVERING COMMERCIAL LINES INSURANCE POLICIES

VERIFIED STATEMENT (DECLARATION) CLAIMING SMALL ENTITY  
STATUS (37 C.F.R. §1.9(f) AND 1.27(b) - INDEPENDENT INVENTOR

As a below named inventor, I hereby declare that I qualify as an independent inventor as defined in 37 C.F.R. 1.19(c) for purposes of paying reduced fees under Section 41(a) and (b) of Title 35, United States Code, to the Patent and Trademark Office with regard to the invention entitled: SYSTEM AND METHOD FOR DELIVERING COMMERCIAL LINES INSURANCE POLICIES

☒ [X] the specification filed herewith  
☐ [ ] application serial no. \_\_\_\_\_, filed \_\_\_\_\_  
☐ [ ] patent no. \_\_\_\_\_, issued \_\_\_\_\_

I have not assigned, granted, conveyed or licensed and am under no obligation under contract or law to assign, grant, convey or license, any rights in the invention to any person who could not be classified as an independent inventor under 37 C.F.R. §1.9(c) if that person had made the invention, or to any concern which would not qualify as a small business concern under 37 C.F.R. §1.9(d) or a non-profit organization under 37 C.F.R. §1.9(e).

Each person, concern or organization to which I have assigned, granted, conveyed, or licensed or am under an obligation under contract or law to assign, grant, convey, or license any rights in the invention is listed below:

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☒ [X] persons, concerns or organizations listed below\*

\*Note: Separate verified statements are required from each named person, concern or organization having rights to the invention averring to their status as small entities. (37 C.F.R. §1.27)

FULL NAME Franklin Assurance Software & Technology, Inc.  
ADDRESS 314 S. Progress Avenue, Harrisburg, PA 17109  
☐ [ ] INDIVIDUAL ☒ [X] SMALL BUSINESS CONCERN ☐ [ ] NON-PROFIT ORGANIZATION

I acknowledge the duty to file, in this application or patent, notification of any change in status resulting in loss of entitlement to small entity status prior to paying, or at the time of paying, the earliest of the issue fee or any maintenance fees due after the date on which status as small entity no longer appropriate. (37 C.F.R. §1.28(b))

[illegible]

NAME OF INVENTOR

**SIGNATURE OF INVENTOR**

DATE \_\_\_\_\_

Applicant or Patentee: F. William Gregory, Jr.

Serial or Patent No.: \_\_\_\_\_ Docket No. 20438-1

Filed or Issued: Concurrently herewith Entitled: SYSTEM AND METHOD FOR DELIVERING COMMERCIAL LINES INSURANCE POLICIES

VERIFIED STATE (DECLARATION) BY A NON-INVENTOR  
SUPPORTING A CLAIM BY ANOTHER FOR SMALL ENTITY STATUS

I hereby declare that I am making this verified statement to support a claim by Franklin Assurance Software & Technology, Inc. for small entity status for purposes of paying reduced fees under section 41(a) and (b) of Title 35, United States Code, with regard to the invention entitled SYSTEM AND METHOD FOR DELIVERING COMMERCIAL LINES INSURANCE POLICIES by inventor(s) F. William Gregory, Jr. described in  
☒ the specification filed herewith  
☐ application serial no. \_\_\_\_\_, filed \_\_\_\_\_  
☐ patent no. \_\_\_\_\_, issued \_\_\_\_\_

I hereby declare that I would qualify as an independent inventor as defined in 37 C.F.R. §1.9(c) for purposes of paying fees under Section 41(a) and (b) of Title 35, United States Code, if I had made the above-identified invention.

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FULL NAME \_\_\_\_\_  
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[illegible]

SIGNATURE Mario Mele SECRETARY - TREASURER  
NAME OF PERSON SIGNING MARIO MELE  
ADDRESS: 120 East Huchlorn Avenue - Suite 101  
DATE: JUNE 30, 2000 Exton, PA 19341

# System and Method for Delivering Commercial Lines Insurance Policies

## Cross reference to related applications

Not applicable.

## Background of the invention

1. Field of the invention: The present invention relates to a system and a method for building commercial lines insurance policies using terminals and a central processor responsive to software essentially having one software application accessing system data base files and preferably providing screens containing tables useful to provide commercial lines policy rating to establish policy processing data preferable on a realtime basis to build a data bases and deliver commercial lines insurance policies with invoicing.

2. Description of the prior art: The property and casualty insurance industry, as distinguished from other products in the insurance industry, has not developed automated policy issuance and processing due to the nature of the insurance product and the practice of the industry to use archaic and legacy systems. Writers of commercial lines insurance experience wasteful costs in the course of producing insurance policies and associated administration. One example is found in the conventional practice of collecting data into daily batches from agents by way of fax communications at the insurance companies headquarters and then introducing the data from the batch at a later date into a computer system for quoting issuing policies and



other functions. The result is a competitive disadvantage that must remain economically sound in a highly competitive market necessitating a more efficient policy issuance and management functions. Writers of commercial lines insurance also experience loss and expense due to unpredictable underwriting results directly related to the nature of the commercial lines insurance industry. For example, comprehensive valued assessments of the liability often fail to prevent unpredictable underwriting results due to such adversities as extreme weather patterns. These economic factors encourage a dispersion of the liability at the cost of increased management expenses.

Over the past several years, the Internet has emerged as the fastest growing communications medium in history. Businesses have recognized the online commerce opportunity and are increasingly utilizing the Internet to sell and distribute their products. The notable exception has been the property and casualty insurance industry. The archaic and legacy systems of the commercial lines insurance have limited or eliminated the entry to e-commerce for most carriers. Writers of commercial lines insurance merely display marketing materials on a web site or provide the means of doing business by e-mail which offers no significant economic benefit.

Accordingly, it is an object of the present invention to provide a system to automate the functions of a property-casualty insurance company to include rating, policy issuance, billing, reinsurance, bureau reporting, management reports and claims processing.

It is another object of the present invention to provide a complete system real-time solution providing the functions which are required by a property/casualty insurance carrier within one system.

It is another object of the present invention to provide one software application accessible on a realtime basis by agents and/or administrative personnel for issuing commercial lines insurance policies without resort to batch processing of data.

It is a further object of the present invention to provide one software application triggering all policy management functions including quoting, issuing, endorsing, canceling, reinstatement and auditing. These functions are generated by separate programs typical of current design technique.

It is another object of the present invention to provide reduced time and costs required to make state and company specific system modifications access to commercial lines delivery system.

#### Summary of the invention

According to the present invention there is provided a system for rating, delivery and administration of commercial lines insurance policies, the system including the combination of, a central processor including software essentially having one software application with control and processing programs to form policy processing data bases to handle all policy functions in the management of commercial lines insurance policies, a user enabled interface coupled to access the one software application using the control and processing programs to form commercial lines insurance policy data bases,

the one software application being operative to building a selected commercial lines insurance policy from a selected one of the commercial lines insurance policy data bases, and a readout for issuing the selected commercial lines insurance policy and invoicing a policy premium therefor, the readout supplying administrative reports using the commercial lines insurance policy data bases.

In another aspect of the present invention there is provided a method for issuing commercial lines insurance, the method including the steps of providing a central processor essentially with one software application including control and processing programs to manage policy functions of commercial lines insurance policies, forming commercial lines insurance policy data bases by accessing the one software application with a user enabled interface, using the one software application to build a selected commercial lines insurance policy from a selected one of the commercial lines insurance policy data bases, issuing the selected commercial lines insurance policy and invoicing a policy premium therefor, and supplying administrative reports using the commercial lines insurance policy data bases.

#### Brief description of the drawings

The present invention will be more fully understood when the following description is read in light of the accompanying drawings in which:

Figure 1 is schematically illustrated a preferred form communication system of the present invention including the use of the Internet for the issuance and administration of a commercial lines insurance policy

Figure 2 is a logic diagram of the use of one software application for building and issuing a commercial lines insurance policy according the system illustrated by figure 1;

Figure 3 is a control selection menu for entry into control processing programs;

Figure 4 is a logic diagram of a billing software application forming part of the central processor and used as an ancillary part of the system illustrated by figure 1;

Figure 5 is a logic diagram of a report software application forming part of the central processor and used as an ancillary part of the system illustrated by figure 1;

Figure 6 is a logic diagram of a claims software application forming part of the central processor and used as an ancillary part of the system illustrated by figure 1; and

Figure 7 is a logic diagram of a cash entry application forming part of the central processor and used as an ancillary part of the system illustrated by figure 1.

#### Detailed description of the embodiments of the present invention

In Figure 1 there is illustrated the preferred embodiment of the present invention utilizing the Internet 10 to form a communication link between user enabled interfaces preferably comprising discrete terminals 12-1, 12-2,----12-N at multiple locations and a central processor 14 using a Firewall 16 to access the Internet. The user enabled interfaces are each preferably password protected requiring the identity of the

user as a condition for accessing the central processor. The terminals 12-1, 12-2,----12-N in this embodiment takes the form of personal computers each having a modem for accessing the web by telephone lines 18-1, 18-2,----18-N using Internet service providers. The central processor 14 is coupled for administrative functions as part of a network by an Ethernet cable to an administrative computer terminal 20 forming a readout that includes a printer 22. The central processor includes a storage medium containing operating software essentially consisting of one software application 24 and preferably additional software applications that share data base files of application 24. The additional software applications identified in Figure 1 include a billing software application 100; a report software application 110; a claims software application 120; and a cash entry software application 150. The software applications 24, 100, 110, 120 and 150 are each a software application of the computational and data processing types using both arithmetic computations and data handling operations.

The one software application 24 offers functionality within the policy processing which enables a response to a print command delivered from an agent's terminal to the central processor 14 for printing a commercial lines insurance policy and policy premium invoicing without the need to access one or more other software applications. The present invention can be practiced by providing the terminals 12-1, 12-2 ----12-N connected by telephone lines and/or communication cables to the central processor 14 according to an alternative form of a system communication without the use of the Internet without departing from the present invention. The use of one software

application for this purpose is an important feature of present invention for the administration of commercial lines insurance policies.

In Figure 2, there is illustrated a flow chart of one software application 24, which application essentially includes the use of control and processing programs to handle all policy functions including the use of display fields for building individual policy processing data bases useful for building and issuing commercial lines insurance. The user enabled interfaces identified as terminals 12-1, 12-2----12N maximize their effectiveness by including a display screen, a data input key board, a mouse, memory, a processor for using the one software application including the control and processing programs for building the desired policy processing data bases. Greater details of the one software application, according to the present invention, include the use of the control and processing programs to build data files which is facilitated by the use of display screens, one of which is found in Figure 3. The display screen of Figure 3 takes the form of a control selection menu for entry into control and processing programs each containing display fields enabling the entry of data to the policy processing data bases. System data bases are built using a multiplicity of files, e.g., 100 files each containing a multiplicity of files, e.g., 1000 utilized by the system. Figure 3 illustrates an example of a policy processing display screen allowing for the selection of functions each following by the progression of one or more additional display screens to allow systematic introduction of information for building of an individual policy data base. As seen in Figure 3, the one software application 24 is used in the system by the provision of selection blocks allowing

the user to select any of the following topics: new submit; submit to quote; new quote; work on quote; quote to binder; quote to issue; binder to issue; new issue; work held issue; endorsement; work held issue; endorsement; work held endorsement; cancellation; reinstatement; audit; renewal; bill work review; CTL# (control) bill review; and CTL# (control) review-policy inquiry. The other displayed topics of cash received, cash returned and write off are functions of the cash entry software application 150 that access data files but are not part of the one software application 24. The display screen of Figure 3 allows the collection of additional data in the "selection criteria box along with entry of identification indicia consisting of company identification; control number; and an effective policy date. Management control buttons of: OK; Exit; Allow Company Change; and Allow Agent Change are also provided in the display screen.

The operation of the one software application 24 is particularly characterized by the flow diagram of Figure 2 of the steps used for building the basic information for a commercial lines insurance policy. An agents terminal 12-N and/or the administrative computer terminal 20 first introduces to the system as indicated in the flow diagram entries of the insured name or multi-named insured and effective date of the policy as indicated by block 26. The agent continues by entering information as to the insured address and location of insured property including additional information such as multi-loan or mortgagee as indicated by block 28. Block 30 indicates entry of risk information such as a description of the insured structure and the contents. Also, policy types are entered identifying named perils or an expanded or a basic type of policy.

Miscellaneous coverage is then entered as indicated in block 32 outlining property liability which includes the use of look up tables for the selection and introduction of commercial lines policy rating included in the policy processing data base. The one software application upon command for building the commercial lines insurance policy introduces to the data base forms, defining terms, adding and removing forms as indicated in block 34. Thus, the system automatically applies forms based on selected coverages which the user can override to remove or add additional forms.

The software application then proceeds with the system function of rating the policy using data and the policy processing data base which includes any allowable reinstatement fees as indicated in block 36. The policy rating applicable, for example to Mutual Service Office (MSO) Business owners' Policy supports rating of the following MSO coverages and options: named perils or expanded type of policy; building; personal property; discretionary credit of debit; central station credit; experience rating credit based on years loss free; multiple location credit; new building credit; target classification; accounts receivable; actual cash value; burglary and robbery; consequent loss-utility service, mechanical breakdown; deductibles of 200, 500, 1000, 2000, 3000; wind deductibles of 500, 1000, 2000, 3000, 5000; employee dishonesty; building inflation; loss of income options: delete, dollar limits, extra expense and rental income only; money and securities; off premises; outdoor signs; outdoor glass; peak season; valuable papers; building law/code; indoor showcase glass; theft exclusion; vacancy/un-occupancy; water backup; fire legal liability limits of \$50,000-\$100,000-\$250,000-\$500,000; expanded fire



legal liability; liability limits of \$300,000-\$500,000-\$1,000,000; aggregate liability limits of double the occurrence limit; hired non-owned automobile options: delete coverage or expand coverage; professional liability, i.e., barber shop, beauty shop, druggist, funeral director, optical/hearing aid service, incidental professional, veterinarian; employee benefits liability; and additional insured. The one software application using the web 10 allows on a real time basis with click and point technology and browser enabled for Internet or Intranet deployment BOP rating and policy functions.

A decision block 38 diverts the issue of premium acceptability by a branch line in the event of the NO answer to a block 40 where credits may be applied to the premium. The applied credits form an entry in return line 42 to block 26 forming part of basic information as an entry to the system. In the event of the acceptance to the premium a YES answer forms an entry to a decision block 44 allowing for the possibilities of a PRINT-HOLD-BIND option. A HOLD command diverts the quote to storage for later processing as indicated by block 46. A PRINT command to block 48 supplies a copy of the quote to the agent and the company. The PRINT command allows exercise of functionality within the rating system by providing that the system will print a quote worksheet; the system will print declaration pages and required schedules, the user may select to print a review copy of a declaration page and schedules; the system will apply forms as required based in rating selections; the system will rate coverages and display the premium by coverage and location; the user may manually add additional coverage; the user may elect to release policy or hold for further review; and the user maintained forms,

rates and coverages for ease of modifications and rate changes. When the activities by the agent result in the decision to BIND, all subsequent processing proceeds, still within the one software application, by supplying the decision to BIND as a data input to a data base in the central processor 14 which, as indicated by block 50, generates a report to the company followed by a system review of the policy as indicated by block 52.

The result of the policy review by the system is an input to a decision block 54 where a NO decision diverts the matter of issuing a binder for the application of a not accepted label as indicated by block 56. The not accepted label produces a storage of the data file indicated by the block 58. A YES decision from decision block 54 form an entry to block 60 producing an accuracy review of all screening previously accepted. Non treaty reinsurance is entered as an entry in the data base as indicated by block 62 and the one software application proceeds to calculate the treaty reinsurance as indicated by block 64. Both of the non treaty reinsurance and the treaty reinsurance are setup functions in the system to administer limits to acquired liability should there be a release of the policy for issuance. While the treaty reinsurance is automatically recalculated, the system allows for user entry of any facultative (pro-rata or excess) by coverage.

The system then provides a decision block 66 calling for the exercise of HOLD-PRINT-RELEASE options. The HOLD option stores the policy for later processing as indicated by block 68. The PRINT option commands the printing of a copy of the policy for review as indicated by block 70. The RELEASE option issues a command which is delivered by the administrative computer terminal 20 to printer 22 for

printing appropriate policy contracts or reinstatement notices for mailing as indicated by block 72. The printing of the policy contracts produces the building of billing files as indicated by block 74 used by the system for invoicing according to a due date or dates as supplied by the data of the data file. Each data base file identifies the agent(s) with applicable commissions, installment plans and reinsurance. Billing is exercised with the options of direct billing; agency billing; billing by location; and installment plans with installment charges and option to pay in full showing the total amount due less future installment charges. The billing files are clock driven and respond to data entries received from the cash entry software application 150 for capturing reason for cancellation and printing a cancellation notice.

Figure 4 illustrates a flow chart according to a further aspect of the one software application of the present invention providing for a billing software application 100 responsive to a command output from the administrative computer terminal 20 to the central processor 14 which in turn produces a data stream representing billing information reduced to printed form by printer 22. More particularly, block 102 of the flow diagram denotes the command output from an agent's terminal representing requests to print daily invoicing by a user. The one software application of the present invention responds by determining invoices and amounts to print by due date as indicated by block 104. The system invokes filtering that limits the print command to invoicing only with due dates meeting criteria imputed to the system as indicated by block 106. The printing of invoices

invokes a function of the system to generate a report showing the invoices that were printed as indicated by block 108.

Figure 5 illustrates a flow chart of report software application 110 for the generation of daily and monthly reports which are an extension to the billing function also occurring in response to a command output from an agent's terminal 12-1, 12-2 ----12-N and/or the administrative computer terminal 20 and received by the central processor 14. Block 112 of the flow diagram denotes a request by a user for the required daily and month end reports. Such reports on a daily basis identify policies to be canceled due to non payment; the printing of invoices based on a due date; a billing invoice statement providing current amount due as well as past history of paid installments and future installments and a printing of return premium checks responsive to requests when monies are due the insured. Month end reports are generated in the system supported with any month end date; agent commission payable reports; billing aged accounts receivable reports; direct earned by coverage report; direct unearned by coverage report; agent's performance written and an earned report; agent's earned premium and incurred loss report; reinsurance earned by coverage report; and reinsurance by reinsurance contract earned by coverage report. Additionally, statistical coding supports MSO coding by utilizing user maintained tables and generate quarterly files to be sent to MSO. The one software application responds by operation of the system causing the building of the required files/reports as indicated by block 114. The system then functions to generate the reports as indicated by block 116 followed by printing of the reports by printer 22.

Figure 6 illustrates a flow chart according to a further aspect of a claims

software application 120 which uses the data bases generated by the one software application as described hereinbefore to process claims arising out of insurance coverages provided from the one software application 24. The claims processing function

5 commences with an entry of user entry data from a standard claim notification form as indicated by block 122. A decision block 124 produces a valid policy determination as a system function which determines a valid policy for the date of loss and displays policy data by a YES decision. In the event of a failure to identify a valid policy, the system invokes a NOT VALID command to the system which displays the message and places the  
10 claim in suspension as indicated by block 126. The YES decision functions as an input to function block 128 causing the system to access data files built by the one software application to produce a YES or NO decision to a determination if a valid location of insured property. A NO command from decision block 128 is received by block 130 whereby the user places the claim in a suspended status which appears as an entry of  
15 claimant information in block 132. A YES from decision block 128 allows the user to select a valid location and enter data from claim notification as indicated by block 134. The selection of the valid location enables the user to display all policy/location/coverage details from the policy as indicated by block 136. A decision block 138 invokes a valid coverage decision by a YES or NO output which is decided by the user typically a  
20 knowledgeable claims adjuster. A NO command from decision block 138 is received by block 140 whereby the user places the claim in the suspended status appearing as an entry

of claimant information in block 132. A YES command from decision block 138 allows the user to select the identity of valid coverage as indicated by block 142 and the entry of the valid coverage information to claimant information encompassed by block 132. The user enters claimant information including loss codes and reserves. The loss codes and reserves are inputted using Tables derived from information block 144. The output from block 132 is supplied to the one software application 24 where the insured claim is processed leading to the payment of the insured claim.

Figure 7 illustrates a flow chart according to a further aspect of the present invention having a cash entry software application 150 which uses the data bases generated by the one software application as described hereinbefore to process cash entries in the system particularly, for example, cash received and cash returned. The cash entry function is initiated by a user accessing a check entry option in a cash entry screen displayed by a monitor of the administrative computer terminal 20 as indicated by block 152. The user selects an option for cash received or returned and enters data including identification and dollar value of the transaction as indicated by block 154. Cash entries are then entered to a batch which the user then selects a posting function to post the cash batch as indicated by block 156. The posting of the cash initiates a data entry function as indicated by block 158 to update the system files with the cash entries forming part of the data in the data bases.

While the present invention has been described in connection with the preferred embodiments of the various figures, it is to be understood that other similar

embodiments may be used or modifications and additions may be made to the described embodiment for performing the same function of the present invention without deviating therefrom. Therefore, the present invention should not be limited to any single embodiment, but rather construed in breadth and scope in accordance with the recitation of the appended claims.

## CLAIMS

1. A system for rating, delivery and administration of commercial lines insurance policies, said system including the combination of:

a central processor including software essentially having one software application with control and processing programs to form policy processing data bases to handle all policy functions in the management of commercial lines insurance policies;

a user enabled interface coupled to access said one software application using said control and processing programs to form commercial lines insurance policy data bases, said one software application being operative to building a selected commercial lines insurance policy from a selected one of said commercial lines insurance policy data bases; and

a readout for issuing said selected commercial lines insurance policy and invoicing a policy premium therefor, said readout supplying administrative reports using said commercial lines insurance policy data bases.

2. The system according to claim 1 wherein said one software application is an application of the computational and data processing types using both arithmetic computations and data handling operations.

3. The system according to claim 1 wherein said one software application includes display fields controlled by said control and processing programs for introducing policy rating, selecting forms, and insurance premium data to said commercial lines insurance policy processing data bases.



4. The system according to claim 1 further including a firewall to the Internet for accessing said one software application using said user enabled interface on a real time basis.

5. The system according to claim 1 wherein said readout further includes a computer terminal for accessing said one software application.

6. The system according to claim 1 wherein said central processor further includes a claims software application sharing said policy processing data bases of said one software application for processing insurance claims arising out of insurance coverages provided from said one software application.

7. The system according to claim 6 wherein said claims software application is an application of the computational and data processing types using both arithmetic computations and data handling operations.

8. The system according to claim 1 wherein said central processor further includes a billing software application sharing said commercial lines insurance policy data bases of said one software application for issuing said selected commercial lines policy and issuing a policy therefor by said readout.

9. The system according to claim 1 wherein said readout includes a printer for printing said selected commercial lines insurance policy and said invoicing a policy premium therefor.

10. The system according to claim 9 further including an administrative computer terminal connected to said central processor for management of commercial lines insurance policy data supplied from said one software application.

11. The system according to claim 10 wherein said administrative computer terminal includes a central processing unit for controlling said printer in response to a command received from said central processor.

12. The system according to claim 1 wherein said central processor further includes cash entry software application sharing said policy processing data bases of said one software application for processing cash received and cash returned arising out of insurance coverages provided from said one software application.

13. The system according to claim 12 wherein said cash entry software application is an application of the computational and data processing types using both arithmetic computations and data handling operations.

14. The system according to claim 1 wherein said central processor further includes an administrative report software application sharing said policy processing data bases of said one software application for generating daily and monthly reports arising out of insurance coverages provided from said one software application.

15. The system according to claim 14 wherein said administrative report software application is an application of the computational and data processing types using both arithmetic computations and data handling operations.

16. The system according to claim 14 wherein said administrative report software application identifies: policies to be canceled due to non payment; invoices based on due date; billing invoice statement; returned insurance premium; agent reports; billing aged accounts receivable report; coverage reports; and reinsurance report.

17. The system according to claim 1 wherein said central processor further includes a claims software application, a billing software application, a cash entry software application and administrative software report application each sharing said policy processing data bases of said one software application.

18. A method for issuing commercial lines insurance, said method including the steps of:

providing a central processor essentially with one software application including control and processing programs to manage policy functions of commercial lines insurance policies;

forming commercial lines insurance policy data bases by accessing said one software application with a user enabled interface;

using said one software application to build a selected commercial lines insurance policy from a selected one of said commercial lines insurance policy data bases;

issuing the selected commercial lines insurance policy and invoicing a policy premium therefor; and

supplying administrative reports using said commercial lines insurance policy data bases.

19. The method according to claim 18 including the further step of processing insurance claims by using a claims software application sharing said policy processing data bases for processing claims against insurance coverage provided from said one software application.

20. The method according to claim 19 wherein said claims software application is an application of the computational and data processing types using both arithmetic computations and data handling operations.

21. The method according to claim 18 including the further step of using an administrative report software application sharing said policy processing data bases to generate daily and monthly reports of insurance coverages provided from said one software application.

22. The method according to claim 21 wherein said administrative report software application is an application of the computational and data processing types using both arithmetic computations and data handling operations.

23. The method according to claim 18 including the further step of using a cash entry software application sharing said policy processing data bases for processing cash transactions arising out of insurance coverages provided from said one software application.

24. The method according to claim 23 wherein said cash entry software application is an application of the computational and data processing types using both arithmetic computations and data handling operations.

25. The method according to claim 18 including the further step of using a billing software application sharing said policy processing data bases for said step of issuing the selected commercial lines insurance policy and invoicing the policy premium therefor.

26. The method according to claim 25 wherein said billing software application is an application of the computational and data processing types using both arithmetic computations and data handling operations.

27. The method according to claim 18 wherein said one software application is an application of the computational and data processing types using both arithmetic computations and data handling operations.

28. The method according to claim 18 wherein said one software application forms display fields controlled by said control and processing programs for introducing policy rating, selecting forms, and insurance premium data to said commercial lines insurance policy processing data bases.

29. The method according to claim 18 including the further step of providing a firewall to the Internet for accessing said one software application using said user enabled interface on a real time basis.

30. The method according to claim 18 wherein said step of issuing the selected commercial lines insurance policy includes using a computer terminal for accessing said one software application.

31. The method according to claim 30 wherein said step of issuing the selected commercial lines insurance policy includes using a printer connected to said computer terminal for printing said selected commercial lines insurance policy and said invoicing a policy premium therefor.

32. The method according to claim 18 including the further step of using an administrative computer terminal to supply said administrative reports for management of commercial lines insurance policy data supplied from said one software application.

33. The method according to claim 21 wherein said administrative report software application identifies: policies to be canceled due to non payment; invoices based on due date; billing invoice statement; returned insurance premium; agent reports; billing aged accounts receivable report; coverage reports; and reinsurance report.

34. The method according to claim 18 wherein said central processor further includes a claims software application, a billing software application, a cash entry software application and administrative software report application each sharing said policy processing data bases of said one software application.

## ABSTRACT OF THE DISCLOSURE

5

Commercial lines insurance policies are rated, delivered and administered using a central processor including software having one software application program with control and processing programs accessed by computer terminals of user enabled and administrative interfaces. The one software application operates to form policy processing data bases and build a commercial lines insurance policy. The administrative interface is connected to a printer responsive to a command from any of the interfaces to issue commercial lines insurance policy and invoicing for the premium thereof. Additional software shares the policy processing data bases for processing insurance claims, providing administrative reports and cash entries.

10

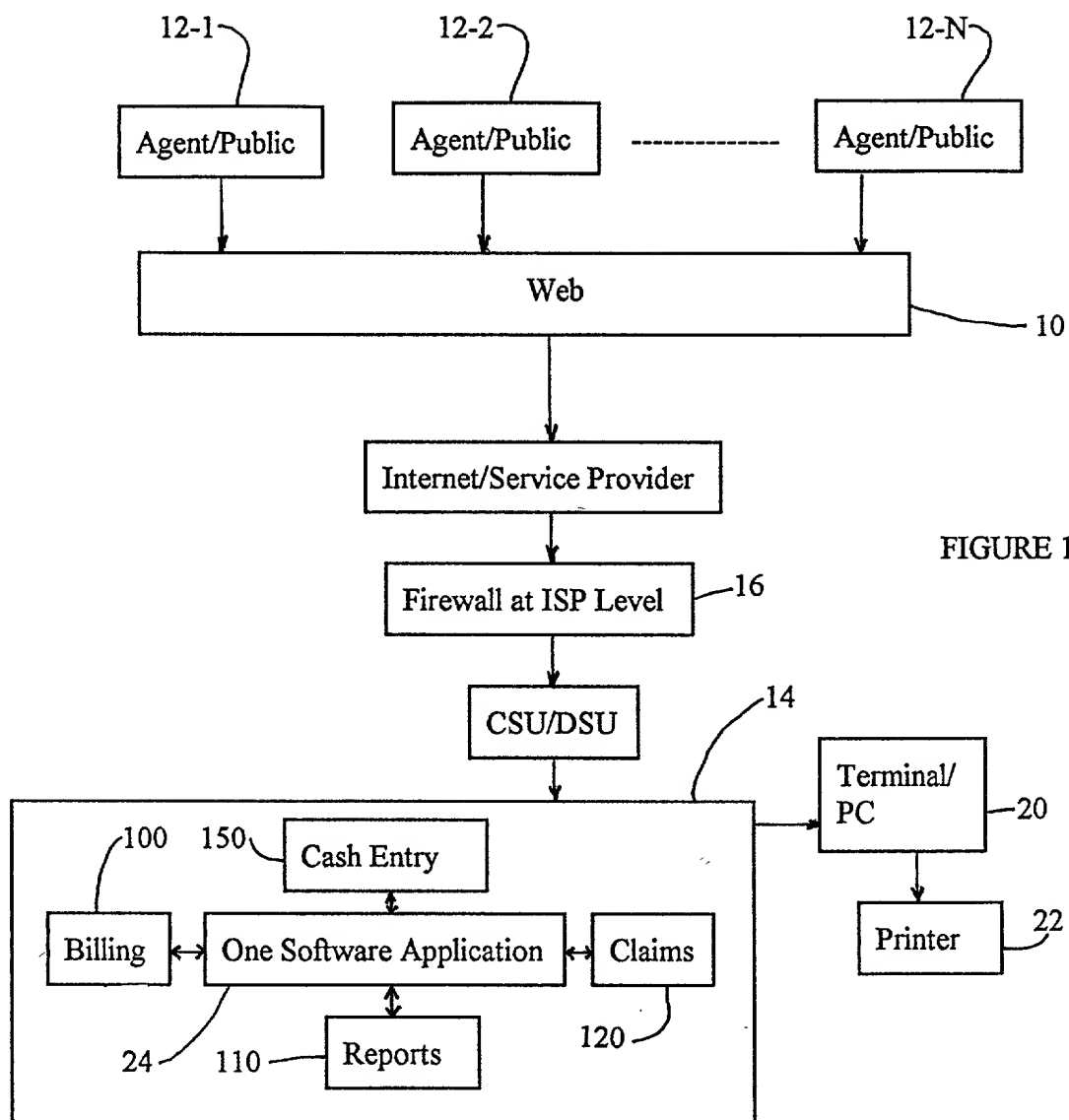


FIGURE 1



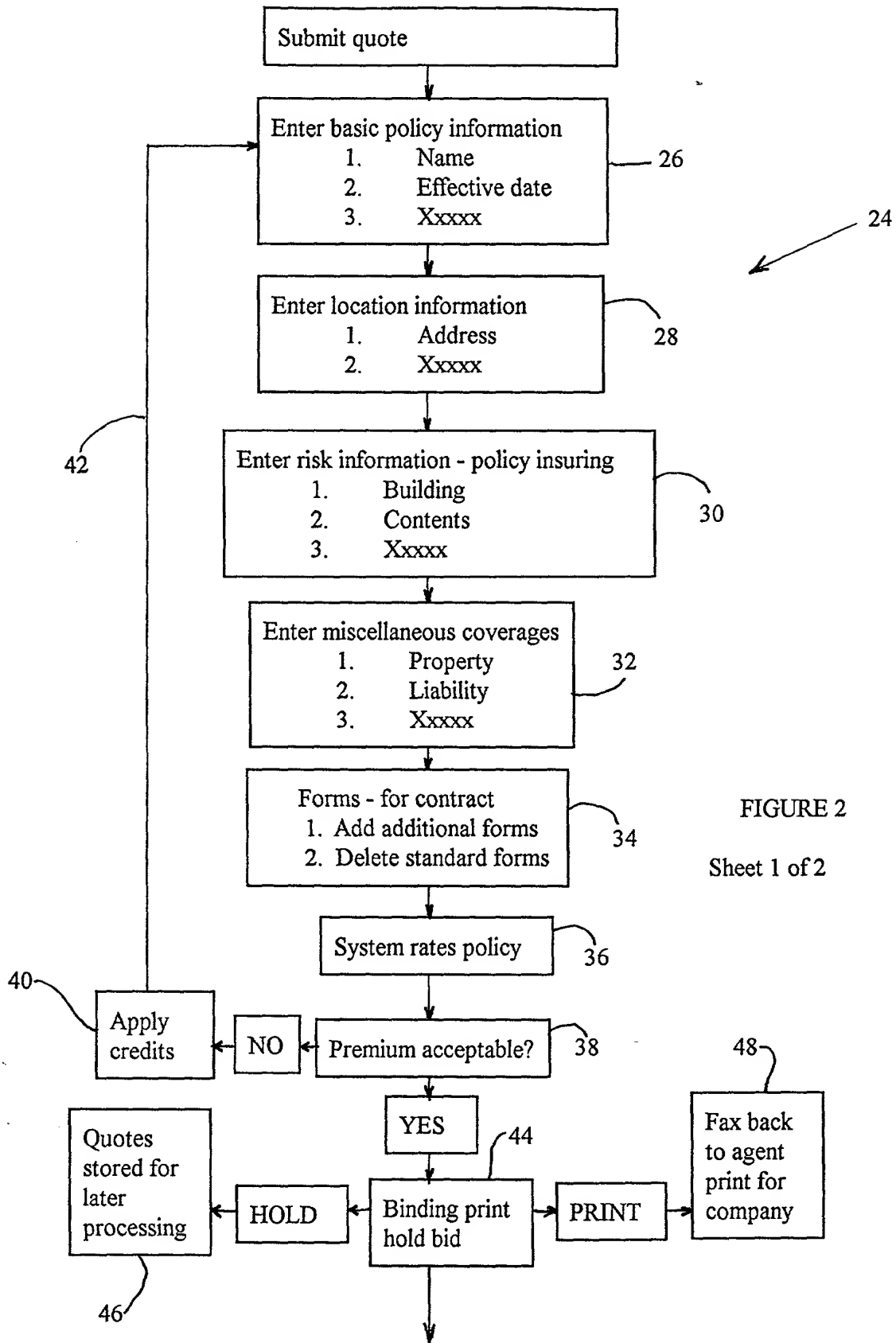


FIGURE 2

Sheet 1 of 2

If proposed by agent  
report generated to  
policy

- 50

## Reviews policy on system

52

## Issue quote to policy

—

NO

Mark as not acceptable

**YES**

Review for accuracy  
all screening  
previously accepted

60

Stored as not  
accepted

### System calculates non-treaty reinsurance

FIGURE 2  
Sheet 2 of 2

## System calculates treaty reinsurance

62

- 64

HOLD/PRINT/RELEASE

HOLD

PRINT

Store policy for later processing

68

RELEASE

Print review copy  
of policy

70

**Prints appropriate policy contracts for mailing**

**Builds billing files for invoicing by due date**

FIGURE 2  
Sheet 2 of 2

@(TITLE)@

Help

@(TITLE)@

Select

☐ New Submit
☐ Quote to Issue
☐ Cancel
☐ Cash Received

☐ Submit to Quote
☐ Work Held Endorse
☐ Reinstate
☐ Cash Return

☐ New Quote
☐ Endorse
☐ Audit
☐ Write Off

☐ Work on Quote
☐ Work Held Issue
☐ Renewal
☐ Bill Work Review

☐ Not Accepted
☐ New Issue
☐ CTL# Bill Review

☐ Quote to Binder
☐ Binder to Issue
☐ CTL# Review-Policy Inquiry

CoID

XPCCOID

Control #

#PAPOLICY

Effective

#PAEFFDMDY

Selection Criteria

Last Name or Business

#PALOBNAME

Agent

AGENT

Control Names

☐ All Names
☐ Last
☐ Business

Name Types

☐ All
☐ Main Insured
☐ Insured on Policy

Transaction Type

☐ Policy
☐ Quote

Policy Type

☐ BOP

Future Policy Types will be added

OK

Exit

Allow Company Change

Allow Agent Change

#EMERRDESC

<

>

?

FIGURE 3

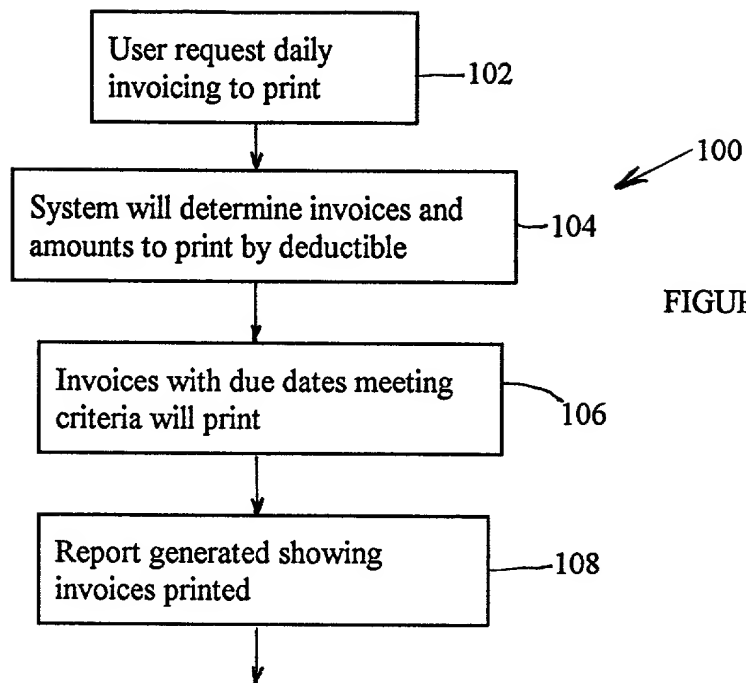


FIGURE 4

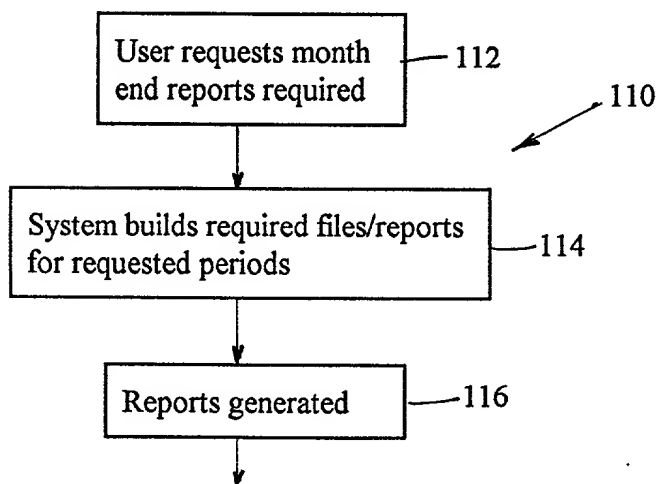


FIGURE 5

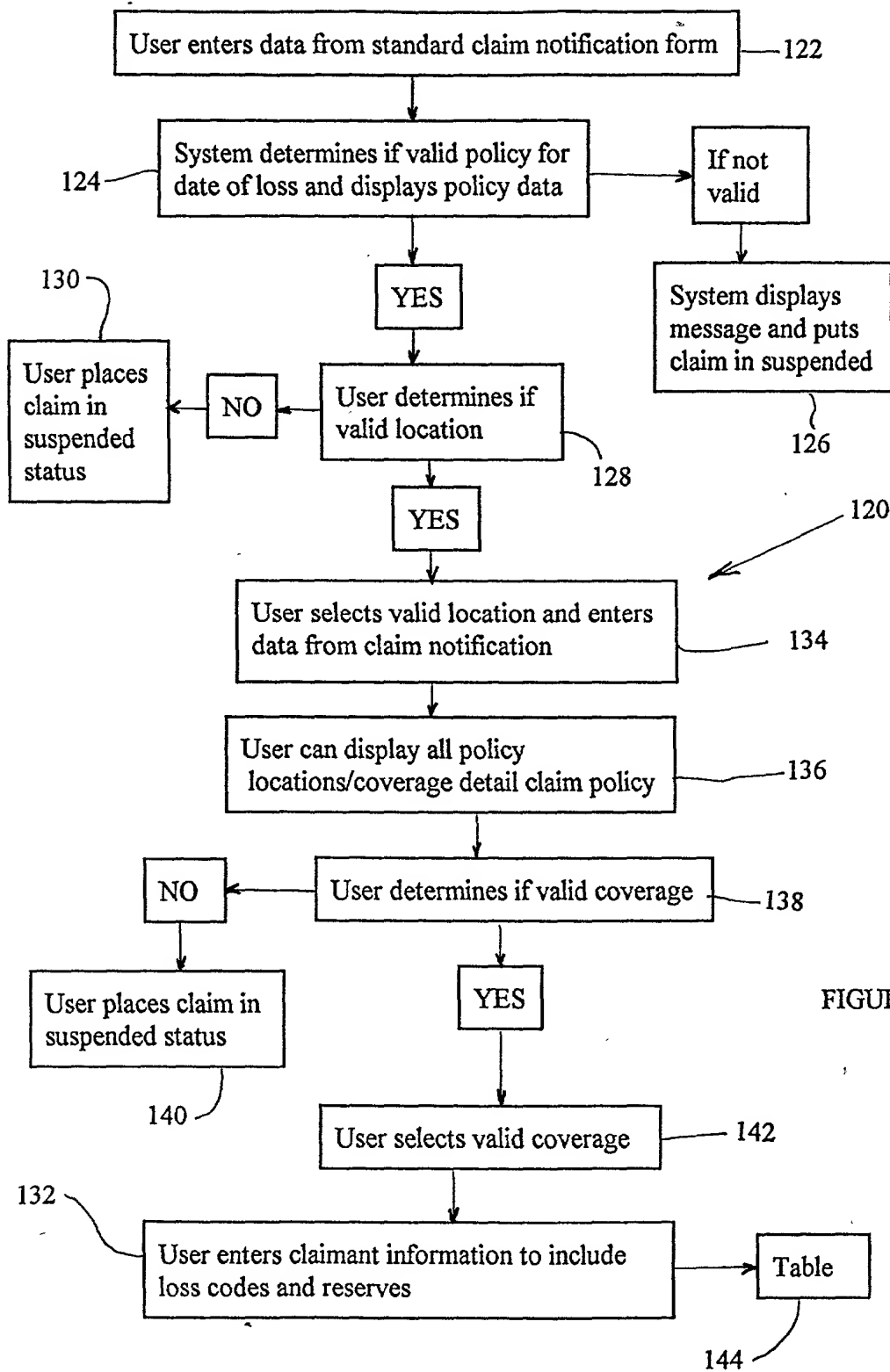


FIGURE 6

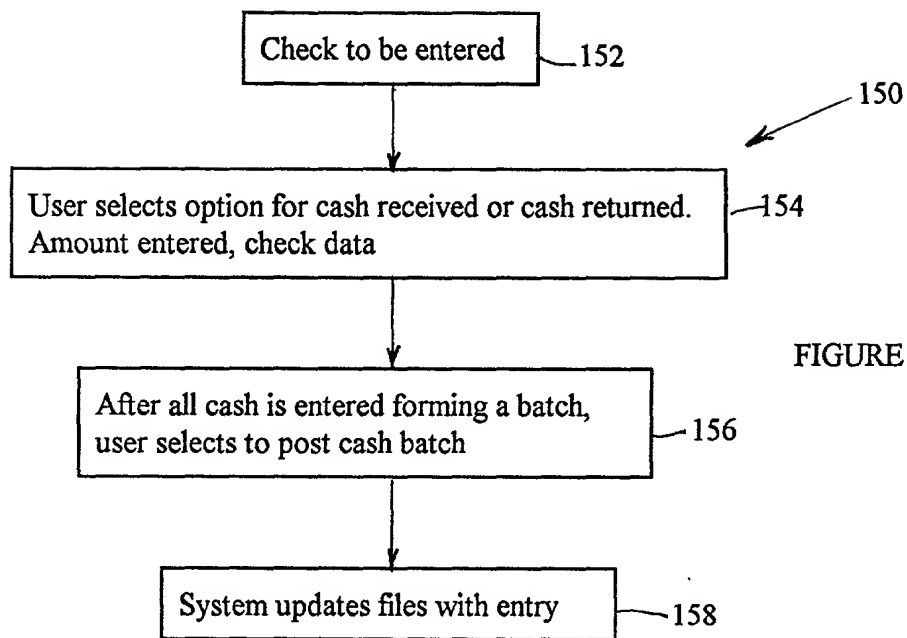


FIGURE 7

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U.S. Parent Application or PCT Parent  
Number

Parent Filing Date  
(MM/DD/YYYY)

Parent Patent Number  
(if applicable)

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Number

Clifford A. Poff

24,764

☐ Additional registered practitioner(s) named on supplemental Registered Practitioner Information sheet PTO/SB/02C attached hereto.

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I hereby declare that all statements made herein of my own knowledge are true and that all statements made on information and belief are believed to be true; and further that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under 18 U.S.C. 1001 and that such willful false statements may jeopardize the validity of the application or any patent issued thereon.

Name of Sole or First Inventor:

☐ A petition has been filed for this unsigned inventor

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Family Name or Surname

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Gregory, Jr.

Inventor's  
Signature

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☐ Additional inventors are being named on the supplemental Additional Inventor(s) sheet(s) PTO/SB/02A attached hereto

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PATENT APPLICATION  
(37 CFR 1.63)**

☒ Declaration  
Submitted with Initial  
Filing OR ☐ Declaration  
Submitted after Initial  
Filing (surcharge  
(37 CFR 1.16 (e))  
required)

**Attorney Docket Number** 20438-1

**First Named Inventor** F. W. Gregory, Jr.

**COMPLETE IF KNOWN**

**Application Number** /

**Filing Date**

**Group Art Unit**

**Examiner Name**

**As a below named inventor, I hereby declare that:**

My residence, post office address, and citizenship are as stated below next to my name.

I believe I am the original, first and sole inventor (if only one name is listed below) or an original, first and joint inventor (if plural names are listed below) of the subject matter which is claimed and for which a patent is sought on the invention entitled:

**SYSTEM AND METHOD FOR DELIVERING COMMERCIAL LINES  
INSURANCE POLICIES**

the specification of which (Title of the Invention)

☒ is attached hereto  
OR

☐ was filed on (MM/DD/YYYY) as United States Application Number or PCT International

Application Number and was amended on (MM/DD/YYYY) (if applicable).

I hereby state that I have reviewed and understand the contents of the above identified specification, including the claims, as amended by any amendment specifically referred to above.

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				YES	NO
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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Application Number(s)	Filing Date (MM/DD/YYYY)	<input type="checkbox"/> Additional provisional application numbers are listed on a supplemental priority data sheet PTO/SB/02B attached hereto.

[Page 1 of 2]

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